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FISCAL IMPACT STATEMENT

LS 7457

BILL NUMBER: HB 1736

NOTE PREPARED: Feb 15, 2005

BILL AMENDED: Feb 14, 2005

SUBJECT: Bail Law Amendments.

FIRST AUTHOR: Rep. Ayres

FIRST SPONSOR: Sen. Clark

BILL STATUS: As Passed - House

FUNDS AFFECTED: **GENERAL**
 X DEDICATED
 FEDERAL

IMPACT: State

Summary of Legislation: This bill provides for reinstatement of an expired bail agent license or recovery agent license. It specifies educational requirements for bail agent and recovery agent licensure. The bill provides for approval of educational courses and instructors. It specifies requirements related to: (1) publication of a determination of the Commissioner of the Department of Insurance concerning certain activities of a bail agent or recovery agent; and (2) appointment of a surety bail agent. It amends the law creating the Bail Bond Enforcement and Administration Fund. The bill also makes an appropriation.

Effective Date: July 1, 2005.

Explanation of State Expenditures: The Department of Insurance (DOI) could incur administrative expenses involved with the printing of the new continuing education requirements and implementation of the provisions for persons offering approved course work for the new continuing education requirement. Given that new fees are provided, the DOI should be able to absorb additional expenditures.

In addition, the DOI is required to prepare a form for the insurer to give notice to the DOI of the appointment of a surety bail agent. The DOI should be able to develop this form within their existing level of resources.

Explanation of State Revenues: The bill would allow the Department to collect the following fees:

In case of reinstatement not more than 90 days after expiration of the license:

(1) a reinstatement fee of \$200, and

(2) a pro rata portion of the license fee of either \$650 for bail recovery agents or \$300 for recovery agents (if

the date of renewal leaves one year remaining in the biennial renewal period, the fee is 50% of this amount).

In case of persons wishing to offer course work for the continuing education requirement deemed approved by the Commissioner, the fee would be \$500 on an annual basis.

The revenue received from this provision would be used to cover the costs associated with the implementation of the provision. All revenues collected relating to bail recovery agent licensure or persons offering continuing education course work are deposited into the Bail Bond Enforcement and Administration Fund. The total revenue generated is dependent on the number of expired bail bond agent licenses renewed under the provisions of the bill. The impact also depends on the number of persons wishing to offer approved continuing education.

Background: As of December 2004, the Department reported there were 477 bail agents and 61 recovery agents with active licenses.

Explanation of Local Expenditures:

Explanation of Local Revenues:

State Agencies Affected: Department of Insurance.

Local Agencies Affected:

Information Sources: Department of Insurance.

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